

Loans

Newport News Urban Development Action Grant Loan Program (NNUDAG)

Supports businesses making taxable investments within the City and providing job opportunities for low and moderate-income persons. The minimum loan amount is \$10,000 and the amount of funds is tied to the number of jobs created. There is a 1:1 private funds match for NNUDAG funds and no more than 20% of the NNUDAG loan may be used for inventory and working capital.

Newport News Micro-Loan Program (NNML)

Designed to provide loan opportunities for the establishment, stabilization or expansion of small micro-enterprises with lack of access to capital. Loan amounts range from \$2,000 to \$25,000 with a maximum term of five (5) years. Interest rates are fixed for the term of the loan. The loan program has flexible payment terms and a 10% equity requirement.

Newport News Capital Fund (NNCF)

Designed to provide loan opportunities from \$5,000 to \$250,000 for local businesses without sufficient financing from private lenders. Loans are targeted to businesses that create jobs that help to mitigate effects of defense cutbacks in Newport News. Requires a 1:1 match with private funds and no more than 25% of a loan can be used for working capital.

Peninsula Revolving Loan Fund (PRLF)

Fixed-asset, direct loan program to businesses that will create new employment opportunities. Loan amounts can range from \$5,000 to \$200,000. Requires a 1:1 private funds match and no more than 40% of the loan can be used for working capital.

Façade Improvement Grant (FIG) Program

The objective is to restore, sustain, and improve commercial properties over 10 years old located within the City of Newport News. Provides matching grant funds, up to a maximum of \$30,000, to assist with eligible façade improvements on properties city-wide that are used for commercial, industrial, office or mixed-use purposes. May assist in financing the cost of eligible façade improvements such as: awning installation, exterior lighting, hardscape improvements, signage and more.

E-Commerce Business Assistance Grant Program

The Economic Development Authority of the City of Newport News, Virginia (EDA) has agreed to help Newport News Small, Women- and Minority-owned private businesses grow revenues and jobs through e-Commerce, and has set aside a business assistance grant fund for that purpose. Funding is for eligible e-Commerce services benefiting Small, Women- and Minority-owned, for-profit businesses licensed and located in Newport News. Funds are awarded on a per-case basis and must be provided by a licensed e-Commerce service provider.



INCENTIVES FOR NEW AND EXISTING BUSINESSES

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VIRGINIA ENTERPRISE ZONES provide state and local grants and local tax abatements and refunds for qualifying new and existing companies and property owners that create new full-time jobs and/or new taxable investment above specific thresholds. The City of Newport News has three Virginia Enterprise Zones covering seven geographic areas. State and local incentives can include:

Partial Abatement of the Local Business License Fee

Occurs over a ten year period in diminishing percentages beginning with 100% (80% in Oyster Point zone) in the first year. The maximum amount of the license fee that can be abated in any one year is \$10,000. Requires job creation and/or taxable investment.

Partial Refund of Local Utility Taxes

Occurs over a ten year period in diminishing percentages beginning with 100% (80% in Oyster Point zone) of the local tax on electric and natural gas in the first year. Requires job creation and/or taxable investment.

Five-year Job Creation Grant

Virginia provides up to \$800 for each qualifying job, depending on health benefits and pay as compared to federal minimum wage. The maximum annual Job Creation Grant is \$280,000. Retail, restaurant, personal service and part-time jobs are not qualifying.

Expansion/Relocation Cost Reduction Incentive

Provided by the Newport News Economic Development Authority (NNEDA) to target industries. Incentive is equal to the present value of three years of property taxes on new real estate and machinery paid to the City of Newport News. In City Center at Oyster Point, it is delivered as free garage parking. Requires 25 jobs above qualifying wage and \$2.5 million investment. Cannot be combined with other local Enterprise Zone incentives.

Real Property Investment Grant

Virginia provides up to \$200,000 for new construction or renovation of a commercial, industrial or mixed-use building, depending on cost of qualifying improvements.

HUBZones

Provides federal contracting preferences to qualified businesses located in and hiring employees from historically underutilized business zones. Seven census tracts in Newport News have been designated as HUBZones in Newport News' downtown and southeast areas.

Commercial Rehabilitation Property Tax Exemption

Provides for a five year reduction of the post-rehabilitation assessment of a qualifying property by fifty percent of the eligible rehabilitation costs. The building must be 20 years old (15 if within an Enterprise Zone) or older and used for non-residential purposes. Rehabilitation must expand the building by no more than fifty percent. Applicable building permits must be issued and reflect eligible rehabilitation costs. The qualifying investment must equal at least 20% of the building's value.

Enterprise and Technology Zones

